# Research on the protection of consumer rights in livestreaming e-commerce

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# Abstract

With the rapid development of internet technology, livestreaming e-commerce has emerged as a new e-commerce model and has rapidly risen in China's e-commerce field, becoming a rising star. Livestreaming e-commerce combines entertainment, interactivity and shopping, which not only provides consumers with a more convenient way to shop, but also opens up new sales channels for merchants. However, with the rapid development of livestreaming e-commerce, the issue of consumer rights protection has become increasingly prominent. In this paper the current situation of consumer rights protection in livestreaming e-commerce was analyzed, the difficulties and challenges in China's consumer rights protection was summarized. In the conclusion part, some suggestions are put forward, which provide useful reference for the healthy development of China's livestreaming industry.

# Keywords

*live streaming, e-commerce, livestreaming e-commerce, consumer rights protection.* 

## 1. Introduction

Against the backdrop of the rapid development of internet technology and the increasing acceleration of online shopping consumption upgrades, "live streaming + e-commerce" has become a new way to attract online shoppers. The live streaming hosts' real-time interactive explanations, intuitive product displays, and preferential promotions attract consumers to place orders. However, from the early stages of the development of live streaming e-commerce to the present, this new consumption model still has loopholes in terms of rights protection.

Through systematic sorting and analysis of the research results of domestic and foreign scholars, it is found that the research on consumer rights protection in the field of livestreaming e-commerce mainly focuses on the legislative status and legal regulations, and the responsibility identification of relevant subjects. Different scholars have given their own academic views and suggestions on related issues such as imperfect legal system, imperfect platform supervision mechanism, uneven professional quality of hosts, and weak legal awareness. The most prominent one is to promote relevant legal legislation, improve regulatory management capabilities, especially to increase supervision and management of

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livestreaming e-commerce platforms and merchants, and improve the level of industry self-discipline; strengthen the cultivation and supervision of hosts' professional quality, and establish a professional evaluation system for hosts. The above research provides a very valuable reference for consumer rights protection issues in livestreaming e-commerce.

In this article, it deeply explored the current status of livestreaming e-commerce in China, summarized and explained the current difficulties and obstacles in consumer rights protection in this field, and putted forward relevant suggestions. In this study, it aimed to strengthen the legal framework for consumer rights protection, while constructing a fair, transparent and standardized livestreaming e-commerce market, which will help promote the sustainable development of the livestreaming e-commerce industry. Therefore, this study has important practical significance and social value.

## 2. Legal System of Consumer Rights Protection

Consumer rights protection refers to a series of laws, policies and actions taken by the government, society and enterprises to protect the legitimate rights and interests of consumers in the entire process of purchasing and using goods or services. These measures are aimed at ensuring that consumers can enjoy fair trade, safe consumption, the right to know, the right to choose, the right to complain and protect their rights in the market economy, as well as obtain reasonable compensation and services.

The international consumer rights protection legal system is diverse and complex. Through legislation and cooperation, countries are committed to ensuring that consumers can enjoy the rights to fair trade, safe consumption and reasonable compensation in the market economy.

United Nations Guidelines for Consumer Protection: The United Nations adopted the "Guidelines for Consumer Protection" in 1985, which greatly promoted the process of unification of international consumer protection legislation. The "Guidelines" discussed its objectives, scope of application and related policies. This declaration provided guidance for countries to formulate and improve domestic consumer rights protection laws.

International Consumer Protection and Cooperation Organization: The International Consumer Protection and Cooperation Organization (ICPEN) is an international organization composed of consumer protection agencies from various countries. It aims to strengthen consumer protection and law enforcement cooperation worldwide to combat cross-border consumer fraud and improper commercial practices.

EU consumer protection system: The EU consumer protection system is a set of laws and policy frameworks jointly established by EU member states. The EU has introduced a number of laws and policies covering multiple areas, the most important of which are the European Union Consumer Protection Act and the Product Safety Act.

U.S. consumer protection laws: The U.S. consumer protection laws were established early, and the system is large and diverse, covering a number of consumer rights protection laws, such as the Federal Trade Commission Act (FTC), the Consumer Credit Reporting Act (FCRA), and other regulations.

# 3. Analysis of the current situation of consumer rights protection in live streaming e-commerce

#### 3.1. False advertising and fraudulent activities

Livestreaming e-commerce is different from traditional business models in that it emphasizes sociality and interactivity. For this reason, the hosts will deliberately create an atmosphere to get consumers to pay through common means such as discounts and limited-time sales. Some hosts will fabricate or exaggerate the advantages of products to make false propaganda and over-market them. This behavior not only leads to consumers' unrealistic expectations of product quality, performance and effects, but also damages consumers' rights and interests, and seriously affects the healthy development of the livestreaming market.

#### 3.2. Issues of after-sales service, return and exchange

After-sales service issues related to live streaming e-commerce, such as product delivery, returns and exchanges, are also worthy of attention. Consumers often encounter problems such as delayed delivery and difficulty in returning or exchanging goods after placing an order, which greatly reduces their shopping experience. Some merchants do not provide or provide after-sales support in a timely manner, and even resort to means such as evading responsibility and having a bad attitude, depriving consumers of the protection they deserve and seriously infringing on their legitimate rights and interests.

### 3.3. Product quality and safety issues

In livestreaming e-commerce, substandard quality is common, and the widespread quality problems have also caused consumers to doubt this sales model. As we all know, the reason why livestreaming e-commerce has become a mainstream sales channel in a short period of time is largely due to the temptation of "low-priced" goods. The host claims to be "the cheapest on the entire network" in the sales promotion, which is completely consistent with the psychology of consumers buying high-quality products at low prices. Many merchants have grasped the consumer psychology of consumers, selling substandard products in the live broadcast room by selling inferior products as good ones and filling the numbers with inferior products, and attracting consumers' attention by selling at low prices, resulting in consumers finding that the goods are not what they claim to be after purchase. The surge in such problems can be attributed to the large diversity of goods in live broadcasts, coupled with the challenges of supervision and regulation, which gave these merchants an opportunity to take advantage of.

## 3.4. Issues of personal information protection

When consumers shop online, they need to disclose personal information such as name, address and contact information, which may be irregular and unsafe. Merchants often leak consumers' personal information, exposing consumers to potential risks such as harassment and fraud. This practice not only undermines consumer trust, but also highlights the urgent need for stricter regulations to protect personal information in livestreaming e-commerce.

#### 4. Challenges in protecting consumer rights in live streaming e-commerce

#### 4.1. Difficulties of platform responsibility and consumer rights protection

The development of live streaming e-commerce involves multiple stakeholders, including e-commerce platforms, brand owners and anchors, and the division of responsibilities between them is unclear. Therefore, when consumers encounter problems, it is often difficult to determine which party should be held responsible, which hinders consumers from effectively protecting their rights. At the same time, the platform plays a vital role in reviewing and managing hosts and products to maintain the reputation and quality of live streaming. However, due to its large scale and large number of participants, it is difficult for the platform to thoroughly evaluate each anchor and product, resulting in the emergence of bad hosts and low-quality goods. When consumer rights are infringed, since live streaming e-commerce often occurs on online platforms, consumers may need to pay a high cost of rights protection when they encounter problems.

#### 4.2. Lag and imperfection of supervision

Livestreaming e-commerce is an emerging e-commerce model that is developing and changing rapidly. Its rapid development has brought about the problem of lagging laws and regulations. When regulatory authorities face complex situations, they lack clear basis and norms. Due to the particularity of livestreaming e-commerce, traditional regulatory means are difficult to fully adapt to its development needs, resulting in poor regulatory effects and inaccurate regulatory measures. In addition, the unclear definition of responsibilities of multiple stakeholders such as platforms, anchors, and merchants has also increased the difficulty of regulatory work. The livestreaming e-commerce industry involves multiple relevant departments and stakeholders. Regulatory work requires close cooperation among all parties to be effectively carried out. However, in actual operations, there is often insufficient coordination and cooperation due to conflicts of interest and poor communication, which further affects the effectiveness of regulatory work.

#### 4.3. Issues of information asymmetry and the right to know

False advertising and price fraud will damage consumers' right to know. When consumers buy goods or services, they often cannot fully understand important information such as product quality and safety. Merchants and service providers often take advantage of information asymmetry when setting prices and set higher prices to obtain higher profits, which makes it difficult for consumers to accurately understand the actual situation of the goods and the true value of the goods or services. They are easily misled and make irrational consumption decisions. After-sales service issues, such as repairs, maintenance, returns and exchanges, are also difficult to be guaranteed. These all show that consumers are at an information disadvantage in the transaction of goods and services. Therefore, it is necessary to strengthen the regulatory framework and institutional mechanisms, safeguard consumers'

# 5. Conclusion

In summary, most consumers have experienced infringement of their rights. This shows that consumers' awareness of rights protection has improved, but the effect of rights protection is not satisfactory. In addition, consumers do not have enough understanding of the return and exchange policy of livestreaming e-commerce and the content of consumer rights protection, and the relevant content is still lacking. The existing legislation has limitations in effectively regulating this emerging industry, thus hindering the healthy development of the industry. Based on the research results, the author putted forward the following optimization suggestions.

## 5.1. Improve the information disclosure system

Establishing a transparent, accurate and comprehensive information disclosure system can ensure that consumers obtain the product information they need and make wise purchasing decisions. Government departments should require livestreaming e-commerce platforms and hosts to provide detailed information on products, including but not limited to product specifications, materials, functional characteristics, manufacturers, etc. For special products such as food and medicine, relevant inspection reports and compliance certificates should also be disclosed to ensure the safety and compliance of the products.

## 5.2. Improve the audit system

In order to ensure the authenticity and compliance of the content of livestreaming e-commerce, product quality should be more strictly controlled. To this end, a special audit team can be established, with professionals with knowledge and experience in relevant fields responsible for the review of livestreaming e-commerce. These professionals are required not only to master professional knowledge, but also to have the ability to judge the authenticity and compliance of the content. In addition, clear review standards and processes are also essential, which should at least include detailed requirements and steps for host qualifications, product information, promotional content, etc. Establish good communication channels with hosts and merchants, and promptly feedback review results and opinions and suggestions to help them understand the review standards and requirements. Finally, the "machine + manual" review model can greatly improve the quality and accuracy of the review while ensuring efficiency.

## 5.3. Cultivation of consumer rights protection awareness

In addition to carrying out publicity and education activities to popularize rights protection knowledge to the public and increase consumers' attention, government departments, media and social organizations should also establish channels for consumers to complain and report, encourage consumers to actively participate in social supervision, and give them a way to

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express their demands and safeguard their rights. First, education and publicity must be strengthened. Through education and publicity activities, it can improve consumers' awareness and attention to rights protection. Secondly, information transparency must be improved. Provide sufficient information on goods and services so that consumers can make wise choices. Finally, consumer organizations and participation should be encouraged. Which means encourage the establishment of consumer organizations, strengthen organizational cooperation and exchanges among consumers, and jointly safeguard their own rights.

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